

News Release



Controller of the State of California - Kathleen Connell

300 Capitol Mall, Suite 1850
Sacramento, California 95814

Contact: Mike Monasmith, Cynthia Sardo: (916) 445-2636

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For Immediate Release

State Controller Connell issues first Motor Vehicle License Fee Rebate checks

Sacramento - State Controller Kathleen Connell issued the first of over 50,000 Motor Vehicle License Fee (MVLFF) rebate checks today at the state's Disbursement Center in Sacramento. The checks will begin arriving in motorists' mailboxes as early as this weekend. Residents whose registration renewals came due this month will be the first to receive the light purple checks signed by the Controller.

The amount of each check will depend on the age and value of the vehicle, with the average rebate estimated at \$47 based on a vehicle license fee of \$145. The 32.5 percent Vehicle License Fee rebate is a new tax break, in addition to the currently existing 35 percent Vehicle License Fee offset, bringing the total tax cut to 67.5 percent.

At the disbursement center where Connell's staff of 13 state employees began the processing of checks, she indicated her support and enthusiasm for the rebate. "Any time we can return money to California's hard-working taxpayers, we feel an obligation to complete the task with accuracy and speed, be it returning income tax return checks or today's vehicle license fee rebates."

The State Controller and her staff expect to distribute \$866 million in rebates from January 1 through June 30 of this fiscal year, with a total of \$1.74 billion in rebates set for fiscal year, 2001-2002.

The Department of Motor Vehicles (DMV) will submit data to the Controller's office at an initial rate of 260,000 rebates per day, declining eventually to 100,000 per day until all rebates are issued. The State Controller's Office has thirty days from receipt of DMV files to process the checks, however, the Controller has set 3 to 5 business days after receipt of the files as a goal for delivery. "This money belongs in the pockets of motorists, not the state government. I have always set performance standards for my staff, and the quick delivery of these checks is no exception."

The MVLFF rebate program is a result of two Legislative Statutes, AB 858 and AB 511 and requires the following:

1. The state will rebate taxpayers a portion of the MVLFF paid in calendar years 2001 and 2002.
2. The DMV determines rebate eligibility and provides the State Controller's Office with information to issue warrants.
3. The State Controller's Office will begin issuing rebate warrants in January, 2001.

(For public inquiries regarding individual payments, the DMV has established a **toll free number: 1-866-682-2151**. Additional information is also available at the DMV Website: **www.dmv.ca.gov**)

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